



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 14.12.1999  
COM(1999) 686 final

1999/0274 (CNS)

Proposal for a

**COUNCIL DECISION**

**creating a European Refugee Fund**

(presented by the Commission)

## **EXPLANATORY MEMORANDUM**

### **A COMPREHENSIVE APPROACH INVOLVING SOLIDARITY**

Since the entry into force of the Amsterdam Treaty, asylum and immigration have been matters of Community responsibility under the new Title IV of the amended Treaty establishing the European Community.

As a result, measures relating to the reception and voluntary repatriation of refugees, displaced persons and asylum-seekers will now be dealt with in an entirely different setting, which makes it possible for the first time to coordinate them with measures aimed at promoting the integration of refugees, so as to bring together and give greater coherence to the various strands of a comprehensive approach, as advocated by the Commission, the European Parliament and the Member States alike.

Asylum policy forms a whole: there can be no possibility of receiving refugees and displaced persons in accordance with Member States' international undertakings and their common humanitarian tradition without:

- applying eligibility procedures that are accessible, effective and fair and introducing reception arrangements that guarantee them decent living conditions for the duration of the procedures,
- making the necessary arrangements for the integration of the refugees in the society of the host country in accordance with the requirements of the Geneva Convention,
- taking the necessary measures so that persons who, upon conclusion of the procedures, are not allowed to remain on the territory of the country where they have sought protection are returned to their country of origin, in order to safeguard asylum as a permanent and credible institution.

But the burden borne by individual Member States in this area differs greatly from one to the next because of the different directions taken by the flows of persons in search of protection and the uneven distribution of populations of refugees and displaced persons in the European Union.

The Commission proposal therefore seeks to redress the balance between the efforts of the Member States in matters of asylum, by creating a system for dividing resources in proportion to the burden of expenditure on each Member State, while at the same time encouraging those Member States with the least-developed infrastructure and services for asylum and refugees to make good the disparities in this area.

Finally, the Commission proposal provides an initial response to the call by the Tampere European Council on 15 and 16 October 1999 for provision to be made for emergencies arising from a mass influx of refugees, displaced persons or asylum-seekers, without jeopardising the long-term measures which are the main objective of the European Refugee Fund.

## **ACTIONS**

To strike a balance in the efforts made by the Member States to receive refugees and displaced persons and the consequences this entails, Member States should be given support commensurate with the burden they have to bear in each of the areas identified, while at the same time placing the Member States with the least developed facilities in a position to assume their share of the joint effort.

### **1. Reception conditions and asylum procedures**

The Member States recognise the right of nationals of non-member countries to apply for refugee status under the Geneva Convention of 28 July 1951 and to explain to the competent authorities the reasons why it is impossible for them to return to their country of origin. This right would be meaningless and impossible to exercise effectively if those seeking protection were not informed of the procedures in operation and had no means of subsistence while awaiting a decision on their application.

This is why the efforts of the Member States to receive refugees and other persons seeking international protection in accordance with their international commitments and common humanitarian traditions presuppose accessible, fair and effective procedures and suitable reception arrangements.

However, there are variations in the extent and standard of reception arrangements in the Member States. This encourages some of those applying for the status of refugee either to choose the Member States which appear to offer the best reception conditions or to move from one Member State to another. The increase in the number of such secondary movements exacerbates the burden on those Member States with the most highly developed provisions and complicates the process of determining the state responsible for examining a request for asylum presented in one of the Member States of the European Communities.

To remedy this, it is essential that persons intending to seek international protection should have a real possibility of making their request in the first Member State in which they arrive, whichever one it is, and that they should be provided with appropriate means of subsistence during the procedure.

Thus, the actions for which the European Refugee Fund will be able to provide assistance must relate to the various aspects of these reception provisions (accommodation, access to healthcare, legal assistance, etc.) in order to encourage those Member States with the least-developed provisions to make good the disparities and to facilitate changes in existing provisions in those Member States experiencing large fluctuations in the volume or nature of movements of refugees. Finally, in the light of recent experience, the Commission proposes that the actions introduced in the area of reception of refugees should also benefit displaced persons.

### **2. Integration**

The Geneva Convention of 28 July 1951 contains many provisions for refugees relating to legal situation, conditions of access to paid employment, well-being and administrative measures, the purpose of which is to aid their integration into the society of the host country.

People who have had to flee their native country are often unable to take full advantage of the general measures and programmes aimed at promoting social integration and vocational training. They have special needs, which may be no more than a need for help to prepare them for participation in the general programmes that already exist. Member States receiving refugees are therefore frequently forced to apply pro-active policies to enable such persons to integrate in the best possible conditions.

Seen in this light, specific measures for refugees, displaced persons and those in need of international protection must be taken in the Member States and supported by the Community, in order to achieve the "balance of effort" referred to in Article 63(2)(b) of the Treaty.

The Commission identifies three areas of action in this proposal for a Decision:

- provision to meet the immediate requirements that have to be satisfied as soon as people are admitted to any form of protection;
- measures to help people adjust to the sociocultural situation in the host country;
- measures to foster autonomy, the criterion for success here being that the people concerned develop the ability to provide for themselves by their own efforts and cease to require any assistance.

Integration measures should be available to all categories of persons enjoying any form of international protection as soon as their stay in the territory of the Member States acquires a degree of permanence or stability.

### **3. Voluntary repatriation and reintegration**

Voluntary return should be the natural outcome of the end of temporary protection for the majority of beneficiaries. Experience in Kosovo has shown that many displaced persons, including those granted refugee status, are prepared to return to their country of origin when conditions permit. However, the people concerned need reliable information. In addition, the material conditions of life in a country recovering from a conflict mean that they often need material assistance to prepare for their return or to rebuild their lives in the country of origin.

Persons seeking international protection whose requests are rejected and who cannot obtain permission to stay on other grounds should in theory leave the territory of the Member States and return to their own country. However, as the Commission remarked in its 1994 Communication to the Council and the European Parliament on immigration and asylum policies<sup>1</sup>, Member States often have difficulty enforcing expulsion orders.

The High Level Group on Asylum and Migration concluded that developing voluntary return programmes could be a credible and humane alternative to compulsory repatriation, offering advantages to both the individuals concerned and the Member States, and potentially attractive to countries of origin wishing to benefit from the efforts the European Union is prepared to make to promote co-development. This approach was endorsed by the Tampere European Council, which called for an increase in aid to countries of origin and transit in order to encourage voluntary return.

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<sup>1</sup> COM(94) 23 final, 23.2.1994. See in particular paragraphs 111 and 112.

#### **4. Other eligible measures**

The Commission proposes adding to the three areas of action outlined above the possibility to set aside a proportion of the available appropriations to support actions of Community interest or innovative or transnational in nature or to carry out studies or an evaluation of the measures taken.

#### **5. Emergency measures**

The Commission believes that it should be possible, in a spirit of European solidarity, to enact emergency measures as quickly as possible in the event of a mass influx of refugees or displaced persons into the territory of one or more Member States, without this in any way affecting or jeopardising the implementation of long-term actions. These measures relate to the basic needs of those arriving under these conditions, i.e. food, shelter and medical care.

The urgency of the situation calls for the decision-making mechanism to be simplified and for the Commission to be authorised to assess the needs of the Member States affected and to divide the extra resources available among them. The fact that emergency measures are separate from the longer-term measures provided for under the normal European Refugee Fund scheme should be reflected in the creation of a separate budget heading.

#### **PRACTICALITIES**

Drawing on the experience of implementing pilot projects and measures funded in the past<sup>2</sup>, the Commission is taking advantage of this opportunity to make radical reforms to the practical aspects of management and implementation.

The first innovation relates to the duration. The Commission is proposing a decision that will remain in force for five years to allow for multiannual planning that is better suited to the sort of medium and long-term measures envisaged while guaranteeing the possibility of adapting the legal frame of reference to changes in the political and institutional environment. Indeed, it follows from the evaluation of the pilot projects financed during previous years that the duration is an essential element of the success of the measures and that a medium or long term prospect can only facilitate the choices of the Member States and of the organisations implementing projects by allowing real planning. As regards reception, the creation of the necessary infrastructure requires long term forecasts, while the creation of services intended for refugees and displaced persons cannot be conceived usefully for a period limited to twelve months. As regards integration, the independent evaluation report of the measures implemented by DG Employment and Social Affairs on the basis of the budget heading B3-4113, carried out by the Berliner Institut für vergleichende Sozialforschung, notes that “the interviews carried out with project coordinators revealed that one year was generally too short to realise all the goals and at the same time secure an adequate follow-up. Funding sustainability is furthermore at a crucial point in terms of overall cost-effectiveness of the individual projects. In general, pilot projects should be supported for longer periods of time in order to allow for the creation of follow-up measures and in order to avoid the common scenario in which projects are ended so early that long-term benefits are unable to come

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<sup>2</sup> See Commission staff working papers SEC(1988) 1263 and SEC(1999) 1105 for implementation of measures relating to reception and voluntary return. In the case of pilot schemes for integration, a complete evaluation of the work carried out is currently under way.

to fruition.” In addition, as regards voluntary return, the Commission noted in its evaluation report (SEC(1999) 1105) that several months were often necessary before a person arrived at a decision to return to his or her country of origin and that reintegration in the country of origin, which is the guarantee of sustainable repatriation, is better ensured when there is a follow-up on the spot, which suggests that this task should be entrusted to local return-counselling centres, the lifetime of which should then exceed the usual 12-month period.

The second innovation concerns the arrangements for implementation which, following the example of the Structural Funds, will be extensively decentralised; responsibility for drafting multiannual programmes, selecting and administering the actions will rest with the Member States. Experience has shown that there is no substitute for physical proximity and familiarity with the day-to-day practicalities when it comes to both selecting the actions and ensuring effective monitoring and control of their implementation. This fundamental choice implies that both the Member States and the Commission should make arrangements for inspection (and financial control in particular), monitoring and evaluation that are suited to both the division of responsibilities and the volume of appropriations involved.

### **COORDINATION AND COMPLEMENTARITY**

It is important to ensure coherence and complementarity between all European Union measures in order to avoid duplication and to derive maximum value from the resources available. In particular, measures taken in the field of integration should take account of possible synergies with programmes developed under the Structural Funds in matters of access to employment and the EQUAL programme. Similarly, measures aimed at voluntary repatriation should be compatible with the action taken by the Union more generally in the area of development, humanitarian aid and relations with the non-member countries concerned.

To this end, coordination mechanisms should be introduced at Community and Member State level, for example to ensure that information is passed on to the various Committees and other bodies responsible for monitoring and implementing activities with similar or complementary objectives. The Member States, which are primarily responsible for implementing the measures covered by the ERF, will also have to ensure coordination at their level between the different measures and the officials responsible for their implementation.

### **SUBSIDIARITY AND PROPORTIONALITY**

The insertion of the new Title IV on visas, asylum, immigration and other policies related to free movement of persons into the Treaty establishing the European Community creates a Community responsibility in these fields. This responsibility must, however, be exercised in accordance with Article 5 of the Treaty, i.e. if and in so far as action taken at Community level offers clear advantages, by reason of its scale or effects, over action at Member State level. The proposal for a decision satisfies these criteria.

#### **1. Subsidiarity**

It is clear that the requirement to promote a balance in the efforts made by the Member States requires a financial contribution aimed at both relieving the pressure on the Member States most affected and developing the capacity of the Member States whose asylum infrastructure and services are inadequate, and presupposes a redistribution at European Union level which cannot be achieved by the Member States in isolation.

## 2. Proportionality

The decision will make it possible to provide financial support from the European Refugee Fund to the measures listed in each of the areas of action it refers to, while leaving the Member States to select the actions and the way in which they are to be carried out under schemes agreed in conjunction with the Commission. Because the Member States are responsible for selecting and administering the actions, the use of Community funds must be subject to clear and uniform rules contained in a Council decision, which is the appropriate instrument for implementing Community programmes.

### COMMENTARY ON THE ARTICLES

#### Article 1

This Article establishes the European Refugee Fund and describes in general terms the objective of supporting the efforts of Member States to receive refugees and displaced persons in order to help achieve a balance in the efforts made by each in this respect.

It stipulates that the Fund will operate from 1 January 2000 to 31 December 2004; the five-year transitional period provided for by Article 67 of the Treaty will expire in 2004.

#### Article 2

This Article contains the description of the various categories of people making up the target groups which may be concerned in one way or another by the actions covered by the Decision.

#### Article 3

This Article lists the three areas of action in which support from the European Refugee Fund contributes to achieving the objective set in Article 1, namely:

- material reception conditions and eligibility procedures;
  - integration of refugees and displaced persons in the society of the host country;
  - voluntary repatriation of the beneficiaries to their country of origin.
1. As regards reception conditions for the duration of the procedures and the quality of the procedures themselves, the European Refugee Fund supports action by Member States designed to maintain, develop or adapt infrastructure and services available for the accommodation of the refugees and displaced persons; supply of material aid, in the form of clothing or food for instance; or social assistance, i.e. information and aid to obtain the benefits which are available; and administrative assistance in completing the formalities connected with the asylum procedure.
  2. As regards integration, the European Refugee Fund supports action by Member States concerning the satisfaction of the immediate needs of refugees and displaced persons by means of assistance in completing the formalities for obtaining accommodation and in claiming the benefits and allowances to which they are entitled by virtue of their status and medical and mental-health care; sociocultural adjustment, for example by teaching the language to as advanced a level as possible, supplying information on

values, customs and conventions of behaviour in the host country; helping to acquire independence (enabling people to provide for themselves), mainly by helping to find a job by means of career guidance, training, re-training and placements on terms that take account of the fact that refugees and displaced persons are not necessarily equipped for the labour market in the host country.

3. With regard to voluntary repatriation and resettlement in the country of origin of refugees and displaced persons wishing to return home as a result of a change in circumstances and persons who drop their request to be granted the status of refugee or to be granted temporary protection or whose requests are rejected by a negative final decision, the European Refugee Fund supports action by Member States concerning information on the existence of return programmes and on the situation in the countries of origin, guidance and general and vocational training to enable those wanting to return to acquire or refresh skills that will be useful to them in their countries of origin, for instance by means of follow-up on the spot.

#### Article 4

This Article enables the Commission to use up to 10% of the annual allocation to order or select projects which it deems to be of particular importance to the Community but which individual Member States would be unlikely to sponsor. These might be innovatory or transnational projects or projects of an academic or speculative, rather than immediately practical, nature. They might involve exchanges of experience or studies – to assess measures implemented in the Member States, for example, or even technical assistance.

These measures may be financed entirely by the Fund.

#### Article 5

Under this Article, the European Refugee Fund can be used to support emergency measures to deal with a sudden and massive influx of refugees or displaced persons in one or more of the Member States.

Emergency measures fall outside the implementation of long-term measures supported by the European Refugee Fund and are in addition to them. Their function is to meet the basic requirements, i.e. shelter, food and healthcare, of people who have had to flee quickly.

#### Article 6

This Article describes the decentralised implementation arrangements inspired by arrangements for the Structural Funds,<sup>3</sup> in which the Member States play an essential role in accordance with the principle of subsidiarity. Policy guidelines and priorities are arrived at through dialogue between the Member States and the Commission, on the basis of a co-financing application drawn up by each Member State. Once the objectives have been set, the Member States are responsible for implementation of measures designed to achieve them.

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<sup>3</sup> Council Regulation (EC) No 1260/1999 of 21 June 1999 laying down general provisions on the Structural Funds, OJ L 161, 26.6.1999, p. 1.

## Article 7

This Article deals with the structure of the co-financing requests which form the basis for the dialogue between the Commission and the Member State in question.

## Article 8

This Article lists the criteria to be used for selecting projects for support from the Fund. These form part of the decentralised management system whereby Member States, on the basis of the programme negotiated with the Commission, are responsible for selecting the projects best suited to achieving the objectives they have set themselves.

Actions are selected on the basis of a public call for proposals. They can be submitted by public authorities, educational or research institutions, training bodies, the social partners, international organisations and NGOs.

## Article 9

This Article lays down the system for distributing available resources between the Member States.

In keeping with the objective laid down by Article 63(2)(b) of the Treaty, resources will be distributed in proportion to the number of applications for some form of protection registered by each Member State and the number of people granted refugee status or temporary protection in the reference period (which, to increase reliability and smooth out temporary blips, will be the average for the last three years for which figures are available).

The number of applications for protection will be given a 65% weighting, against 35% for the number of refugees accepted and displaced persons receiving temporary protection. This is because refugees start out by seeking protection before they are granted refugee status. Furthermore, most of them are entitled to support for the duration of the procedure, which, given the scope for appeal, can be very long. Lastly, integration measures concern only recognised refugees and displaced persons. These groups account for only a relatively small proportion of applicants and, as the integration measures take effect, they are expected to become gradually less dependent on benefits.

## Article 10

This Article sets out the timetable for implementation of the programmes.

The European Refugee Fund is set to run for five years, after which it will have to be adapted to any changes in the political and institutional environment.

However, to allow for the fact that it is an entirely new arrangement in the field of Justice and Home Affairs and also that this Decision will probably not enter into force until some time in 2000, it is provided that Member States' planned actions:

- may be revised each year on the initiative of the Member State or the Commission in the light of the information contained in the annual report;
- must be subject to a mid-term review.

## Article 11

The purpose of the financing from the European Refugee Fund is to facilitate implementation of national measures by lightening the burden they place on public finances. The Fund should not replace action by the Member States or enable them to avoid their responsibilities. Consequently, the Fund may not provide more than 50% of the total budget for any one action. This proportion may be increased to 75% in Member States which receive support from the Cohesion Fund, to help compensate for a possible lack of facilities.

## Article 12

This Article is modelled on Article 30 of the Structural Fund Regulation referred to above. It lays down eligibility criteria for expenditure. The Fund may not be used to reimburse the Member State for past expenditure.

More detailed rules on the nature of eligible expenditure will be adopted by the Commission after the Committee provided for in Article 19 has been consulted.

## Article 13

When the Commission approves a Member State's co-financing request, it will, after consulting the Committee provided for in Article 19, take a decision awarding the Member State the co-financing it is entitled to in the light of the distribution of resources stipulated in Article 9 and the amount of eligible expenditure stated in the request.

## Article 14

This Article, modelled on Article 31 of the Structural Fund Regulation, lays down rules for the commitment of budget resources by the Commission.

## Article 15

This Article describes the arrangements for making payments to the relevant authorities.

## Article 16

This Article on control arrangements is modelled on Article 38 of the Structural Funds Regulation referred to above, with certain adjustments. For instance, the amounts involved are considerably smaller and the operations less complex, so the management and control system should be simpler. The administrative burden of obtaining support from the Fund must not be so great as to deter Member States from presenting ambitious national programmes.

It also lays down the manner in which the Commission can react if a Member State fails to respect the agreed programme.

## Article 17

This Article, which is modelled on Article 39 of the Structural Funds Regulation, specifies how financial corrections can be made if an agency responsible for undertaking an action defaults or if a Member State fails to honour its obligations.

## Article 18

This Article lays down the rules governing monitoring and assessment of actions supported by the Fund. Organisations responsible for practical implementation of measures are required to report annually to the relevant authority in the Member State. The Member State, in turn, must present an annual report to the Commission.

Half-way through the period covered by the Decision and at the end of the period, the Member State must have an independent evaluation of implementation of the actions carried out. Up to 1% of the Member State's allocation may be set aside for this purpose.

The Commission is to present two reports to Parliament and the Council, one in the middle of the period and the second in 2005.

## Article 19

The Commission is to be assisted by an advisory committee. The decision on what type of committee this will be is to be taken in accordance with the rules laid down in Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission<sup>4</sup>.

## Article 20

Special arrangements apply to implementation of emergency measures:

- Support for these measures may be given during the emergency period (no longer than six months). It may not exceed 80% of the cost of any given measure.
- The Member States affected must inform the Commission of their requirements and the measures they intend to implement.
- The Commission will select the measures which best match the criteria laid down by the Decision and will distribute available resources between the Member State on the basis of the number of people they have to deal with and the quality of the projects they present. The Commission's role as adjudicator will make for speedy decisions and proportionality in the distribution of resources and selection of measures.

## Article 21

This Article provides for exceptional transitional measures to enable projects eligible for support from the Fund to go ahead in 2000. These measures will also make it possible to continue with projects funded on the basis of the joint action of 26 April 1999 and Commission-implemented pilot projects concerning integration of refugees, even though the Decision will not enter into force until some time in 2000.

## Article 22

This Article confirms that the Commission the adoption of implementing measures belongs to the Commission's area of responsibility.

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<sup>4</sup> OJ L 184, 17.7.1999, p. 23.

Article 23

This Article makes express provision for a review of the Decision at the end of the five-year period.

Article 24

Addressees.

Proposal for a

**COUNCIL DECISION**

**creating a European Refugee Fund**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 63(2)(b) thereof,

Having regard to the proposal from the Commission<sup>1</sup>,

Having regard to the opinion of the European Parliament<sup>2</sup>,

Having regard to the opinion of the Economic and Social Committee<sup>3</sup>,

Having regard to the opinion of the Committee of the Regions<sup>4</sup>,

Whereas:

- (1) The preparation of a common policy on asylum, including common European arrangements for asylum is a constituent part of the European Union's objective of gradually creating an area of freedom, security and justice open to those who, forced by circumstances, legitimately seek protection in the European Union.
- (2) Implementation of such a policy should be based on solidarity between Member States and requires the existence of mechanisms intended to help to achieve a balance in the efforts made by Member States in receiving refugees and displaced persons and bearing the consequences of so doing. To that end, a European Refugee Fund should be established.
- (3) It is necessary to support the efforts made by the Member States to grant appropriate reception conditions to refugees and displaced persons, including fair and effective asylum procedures, so as to protect the rights of persons requiring international protection.
- (4) The integration of refugees into the society of the country in which they are established is one of the objectives of the Geneva Convention and, to this end, there should be support for actions by the Member States intended to promote their social and economic integration, in so far as it contributes to economic and social cohesion, the maintenance and strengthening of which is one of the Community's fundamental objectives referred to in Articles 2 and 3(1)(k) of the Treaty.

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- (5) It is in the interests of both the Member States and the persons concerned that refugees and displaced persons who are allowed to stay in the territory of the Member States are given the opportunity to provide for themselves by working.
- (6) Since measures supported by the Structural Funds and other Community measures in the field of education and vocational training are not in themselves sufficient to promote such integration, support should be given for special measures to enable refugees and displaced persons to benefit fully from the programmes which are organised.
- (7) Practical support is needed to create or improve conditions enabling refugees and displaced persons to take an informed decision to leave the territory of the Member States and return home, should they so wish.
- (8) Practical ways must be found of testing innovatory actions in this field and exchanges between Member States should be encouraged with a view to identifying and promoting the most effective practices.
- (9) Account should be taken of the experience acquired during implementation of the Council's joint actions on the reception and voluntary repatriation of refugees, displaced persons and asylum-seekers.
- (10) As called for by the European Council at its meeting in Tampere on 15 and 16 October 1999, a financial reserve should be established for the implementation of emergency measures to provide temporary protection in the event of a mass influx of refugees.
- (11) It is fair to allocate resources proportionately to the burden on each Member State by reason of its efforts in receiving refugees and displaced persons.
- (12) The support provided by the European Refugee Fund will be more efficient and better targeted if the co-financing of eligible actions is based on a request from each Member State taking into account its situation and needs.
- (13) In order to speed up and simplify co-financing procedures, the responsibilities of the Commission should be distinguished from those of the Member States. Provision should, therefore, be made for the Commission, after examining the Member States' requests for co-financing, to adopt co-financing decisions, while the Member States are to assure the management of the actions.
- (14) Such decentralised implementation of the actions by the Member States should provide sufficient guarantees as to the details and quality of implementation, the results of actions and their evaluation and sound financial management and its supervision.
- (15) One way of ensuring that the action of the European Refugee Fund is effective is efficient monitoring; the conditions of such monitoring should be set out.
- (16) Without prejudice to the Commission's responsibilities for financial control, cooperation between the Member States and the Commission in this regard should be established.

- (17) The responsibility of the Member States for the pursuit and correction of irregularities and infringements, and that of the Commission where the Member States do not comply with their obligations, should be specified.
- (18) The effectiveness and impact of the actions supported by the European Refugee Fund also depend on the evaluation thereof and the responsibilities of the Member States and the Commission in this regard, and arrangements to ensure the reliability of evaluation, should be laid down.
- (19) Actions should be evaluated with a view to their mid-term review and assessment of their impact, and the evaluation process should be incorporated into the monitoring of the actions.
- (20) In accordance with Article 2 of Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission<sup>5</sup>, the measures required for the implementation of the present Decision should be adopted by the advisory procedure provided for in Article 3 of that Decision.
- (21) In accordance with the principles of subsidiarity and proportionality as set out in Article 5 of the Treaty, the objectives of the proposed action, namely to demonstrate solidarity between Member States by achieving a balance in the efforts made by those Member States in receiving refugees and displaced persons and bearing the consequences of so doing, cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale or impact of the action, be better achieved by the Community. This Decision confines itself to the minimum required in order to achieve those objectives and does not go beyond what is necessary for that purpose.

HAS ADOPTED THIS DECISION:

## *CHAPTER I*

### OBJECTIVES AND TASKS

#### *Article 1*

#### **Establishment and objective of the European Refugee Fund**

1. A European Refugee Fund (hereinafter “the Fund”) shall be established to support and encourage the efforts made by the Member States in receiving refugees and displaced persons and bearing the consequences of so doing.
2. The Fund shall operate from 1 January 2000 to 31 December 2004.

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<sup>5</sup> OJ L 184, 17.7.1999, p. 23.

## *Article 2*

### **Target groups**

For the purposes of this Decision the target groups shall comprise the following categories:

1. “refugees”, meaning any third-country nationals or stateless persons having the status defined by the Geneva Convention of 28 July 1951 relating to the Status of Refugees and permitted to reside as refugees in one of the Member States and, where appropriate, persons applying to be granted that status;
2. “displaced persons”, meaning any third-country nationals or stateless persons benefiting from temporary protection arrangements in a Member State and, where appropriate, persons applying for such protection.

## *Article 3*

### **Tasks**

1. To achieve the objective described in Article 1, the Fund shall support Member States' actions relating to:
  - (a) conditions for reception of refugees and displaced persons;
  - (b) integration of refugees and displaced persons;
  - (c) where appropriate, voluntary repatriation of those persons; “voluntary repatriation” means the return of a person to the country of origin, without compulsion, including where the person concerned is the subject of a decision withdrawing permission to stay granted when they belonged to one of the target groups referred to in Article 2.
2. With regard to the conditions for reception of refugees and displaced persons and procedures, the actions may concern infrastructure or services for accommodation, supply of material aid, social assistance or help with administrative formalities.
3. As regards integration into the society of the Member State of residence of persons having the status of refugees or benefiting from temporary protection arrangements and members of their family, actions may be to provide social assistance in areas such as housing, means of subsistence and healthcare or to enable beneficiaries to adjust to the society of the Member State or to provide for themselves.
4. As regards voluntary repatriation of refugees and displaced persons, including persons from whom this status has been withdrawn or to whom it has been refused or who have withdrawn their application, provided they have not acquired a new nationality and have not left the territory of the Member State, the actions may concern information and advice about voluntary return programmes and the situation in the country of origin and/or general or vocational training and help in resettlement.

#### *Article 4*

### **Community actions**

At the Commission's initiative, up to 10% of the Fund's annual allocation may be used to finance innovatory actions or actions of interest to the Community as a whole, separate from the actions implemented by the Member States, including studies, pilot projects, exchanges of experience, measures to promote cooperation at Community level and assessment of the implementation of those measures, and technical assistance.

The Fund may provide 100% of the funding for those actions.

#### *Article 5*

### **Emergency measures**

1. The Fund may also be used to finance emergency measures, separate from and in addition to the actions referred to in Article 3, to help one or more Member States in the event of a sudden mass influx of refugees or displaced persons.
2. In the situation referred to in paragraph 1, eligible emergency measures cover the following types of action:
  - (a) reception and accommodation;
  - (b) provision of means of subsistence, including food and clothing;
  - (c) medical, psychological or other assistance;
  - (d) staff and administration costs incurred as a result of the reception of persons and implementation of the measures.

## *CHAPTER II*

### DETAILED PROVISIONS

#### *Article 6*

### **Implementation**

The Member States shall be responsible for implementation of actions supported by the Fund.

To this end, each Member State shall appoint a responsible authority which shall handle all communication with the Commission. That authority shall be a public administration but may delegate its responsibility for implementation to another public administration or non-governmental organisation.

## *Article 7*

### **Requests for co-financing**

1. Member States shall send the Commission, in accordance with the timetable set out in Article 10, a request for the co-financing of the actions referred to in Article 3 which describes:
  - (a) the requirements justifying the implementation of actions eligible for support from the Fund;
  - (b) actions planned for and during the period covered by this Decision;
  - (c) funding from the Member State and, where applicable, from the organisation(s) involved;
  - (d) the system put in place by the Member State to:
    - (i) select actions and ensure the procedure is transparent;
    - (ii) manage, monitor, check and evaluate actions;
    - (iii) encourage coordination between actions and communication between the people responsible for implementing them on the ground;
    - (iv) ensure proper publicity for the Community's contribution to funding.

The request shall contain, for each of the aspects referred to in the first subparagraph, sufficiently detailed information to enable the Commission to take a fully informed decision.

2. The request referred to in paragraph 1 shall be the subject of concertation with the Commission.

## *Article 8*

### **Selection criteria**

Member States shall have sole responsibility for the selection of individual actions and for the financial management and administration of actions supported by the Fund with due respect for Community policies and the criteria for eligibility.

Following a call for proposals, actions shall be presented by public authorities (national, regional or local, central or devolved), education or research institutions, training establishments, the social partners, government agencies, international organisations or non-governmental organisations, operating individually or in partnerships with a view to obtaining funding from the Fund.

The responsible authority shall select actions on the basis of the following criteria:

- (a) the situation and requirements in the Member State;
- (b) the cost-effectiveness and benefit of the expenditure, in view of the number of persons concerned by the action;
- (c) the innovatory nature of the measures and the scope for using the results to strengthen cooperation between the Member States or enable other Member States to benefit from experience;
- (d) the experience, expertise, reliability and financial contribution from the organisation applying for funding and any partner organisation;
- (e) the extent to which the actions complement other actions funded by the budget of the European Communities or as part of national programmes.

Furthermore, the responsible authority shall ensure that the actions are based on the principles of partnership between all those involved and participation, in particular by the beneficiaries in their conception and implementation, and encourage a multi-dimensional approach incorporating coordinated action in all relevant areas and taking account of the complexity of the beneficiaries' position in the host society.

#### *Article 9*

##### **Distribution of resources**

Available resources shall be distributed proportionally between the Member States as follows:

- (a) 65% in proportion to the average number of persons having applied for a form of international protection registered over the previous three years; and
- (b) 35% in proportion to the number of persons granted refugee status or temporary protection over the previous three years.

The reference figures shall be the most recent figures established by the Statistical Office of the European Communities.

#### *Article 10*

##### **Timetable**

The actions shall be implemented between 1 January 2000 and 31 December 2004.

The Commission shall provide the Member States by 1 July each year at the latest with an estimate of the amounts to be allocated to them for the following year from the total amounts allocated within the framework of the annual budgetary procedure.

The Member States shall present the request for co-financing referred to in Article 7 to the Commission within two months of the date on which this Decision takes effect.

The Commission and the Member State shall adopt the final list of actions accepted by common accord within three months of submission of the request for co-financing.

Each year, the Commission and the Member State may, on the basis of the annual report provided for in Article 18, make proposals for amendments to the list or the nature of the actions.

The Commission and the Member State shall, in any event, by 1 June 2002 at the latest, revise the list or nature of the actions on the basis of the mid-term evaluation provided for by Article 18 and shall make the necessary changes by common accord.

### *CHAPTER III*

#### FINANCIAL PROVISIONS

##### *Article 11*

#### **Financing structure**

For any given measure, the contribution from the Fund shall not exceed 50% of the total cost of the measure.

That proportion may be increased to 75% in Member States covered by the Cohesion Fund.

##### *Article 12*

#### **Eligibility**

1. Expenditure may not be considered eligible for support from the Fund if it has actually been paid before the date on which the Member State's request for co-financing is approved by the Commission. That date shall constitute the starting point for the eligibility of expenditure.
2. The Commission shall adopt the rules governing eligibility of expenditure in accordance with the procedure referred to in Article 19(2).

##### *Article 13*

#### **Decision on co-financing from the Fund**

After examining the request for co-financing, the Commission shall, in accordance with the procedure referred to in Article 19(2), adopt the decision on co-financing by the Fund. The decision shall state the amount allocated to the Member State.

#### *Article 14*

### **Budget commitments**

Community budget commitments shall be made on the basis of the Commission decision on co-financing.

#### *Article 15*

### **Payments**

1. Payment by the Commission of the contribution from the Fund shall be made to the responsible authority in accordance with the corresponding budget commitments.
2. As soon as the Commission decision on the contribution from the Fund is adopted, an initial payment, representing 50% of the amount, shall be made to the Member State for the year in question.

An interim payment of up to 30% shall be made when the Member State states that it has actually spent half of the initial payment.

The balance shall be paid within three months of approval of the accounts submitted by the Member State and the annual report on implementation of the programme.

## *CHAPTER IV*

### CHECKS AND EVALUATION

#### *Article 16*

### **Checks**

1. Without prejudice to the Commission's responsibility for implementing the general budget of the European Communities, Member States shall take responsibility in the first instance for the financial control of the actions. To that end, the measures they take shall include:
  - (a) verifying that management and control arrangements have been set up and are being implemented in such a way as to ensure that Community funds are being used efficiently and correctly;
  - (b) providing the Commission with a description of these arrangements;
  - (c) ensuring that the actions are managed in accordance with the applicable Community rules and that the funds placed at their disposal are used in accordance with the principles of sound financial management;
  - (d) certifying that the declarations of expenditure presented to the Commission are accurate and ensuring that they result from accounting systems based on verifiable supporting documents;

- (e) preventing, detecting and correcting irregularities, notifying these to the Commission, in accordance with the rules and keeping the Commission informed of the progress of administrative and legal proceedings;
  - (f) cooperating with the Commission to ensure that Community funds are used in accordance with the principle of sound financial management;
  - (g) recovering any amounts lost as a result of an irregularity detected and, where appropriate, charging interest on late payments.
2. The Commission, in its responsibility for the implementation of the general budget of the European Communities, shall ensure that Member States have smoothly functioning management and control systems so that Community funds are efficiently and correctly used.

To that end, without prejudice to the powers of the Court of Auditors or the checks carried out by the Member States in accordance with national laws, regulations and administrative provisions, Commission officials or servants may, in accordance with arrangements agreed with the Member States in the framework of the cooperation described in paragraph (1)(f), carry out on-the-spot checks, including sample checks, on the operations financed by the Fund and on management and control systems with a minimum of one working day's notice. The Commission shall give notice to the Member State concerned with a view to obtaining all the assistance necessary. Officials or servants of the Member State concerned may take part in such checks.

The Commission may require the Member State concerned to carry out an on-the-spot check to verify the correctness of one or more transactions. Commission officials or servants may take part in such checks.

3. After completing the necessary verifications, the Commission shall suspend the interim payments in the following situations:
- (a) a Member State is not implementing the actions as agreed in the co-financing decision; or
  - (b) all or part of an action justifies neither part nor the whole of the co-financing from the Fund.

In those cases, the Commission shall, stating its reasons, request that the Member State submit its comments and, where appropriate, carry out any corrections within a specified period of time.

4. At the end of the period set by the Commission, the Commission may, if no agreement has been reached and the Member State has not made the corrections and taking account of any comments made by the Member State, decide within three months to:
- (a) reduce the interim payment referred to in Article 15(2); or
  - (b) make the financial corrections required by cancelling all or part of the contribution of the European Refugee Fund to the action in question.

In the absence of a decision to do either (a) or (b) the interim payments shall immediately cease to be suspended.

### *Article 17*

#### **Financial corrections**

1. The Member States shall, in the first instance, bear the responsibility for investigating irregularities, acting upon evidence of any major change affecting the nature or conditions for the implementation or supervision of an action and making the financial corrections required.

The Member State shall make the financial corrections required in connection with the individual or systemic irregularity. The corrections made by the Member State shall consist in cancelling all or part of the Community contribution. The Community funds released in this way may be re-used by the Member State for actions in the same field of action referred to in Article 3, in compliance with the arrangements to be defined in accordance with the procedure referred to in Article 19(2).

2. If, after completing the necessary verifications, the Commission concludes that a Member State has not complied with its obligations under paragraph 1 of this Article, Article 16(3) and (4) shall apply.
3. Any sum received unduly and to be recovered shall be repaid to the Commission, together with interest on account of late payment.

### *Article 18*

#### **Monitoring and evaluation**

1. In each Member State the responsible authority shall take whatever measures are necessary to monitor and evaluate actions.

To that end, the agreements and contracts it enters into with organisations charged with implementing the actions shall contain clauses requiring them to present at least one report a year detailing progress made with regard to implementation of the action and achievement of the objectives attributed to it.

2. The responsible authority shall send the Commission each year financial accounts and a detailed report, on implementation of the actions in accordance with the rules adopted by the Commission by the procedure referred to in Article 19(2).

Furthermore, the responsible authority shall arrange for:

- (a) an independent mid-term evaluation to be carried out of the implementation of the actions, with a view to the revision provided for in Article 10;
- (b) an independent evaluation of the implementation and impact of the actions, after completion of the programme.

A sum not exceeding 1% of the Member State's total allocation may be set aside for this purpose.

The evaluation report shall be attached to the final report.

3. The Commission shall submit a mid-term report to the European Parliament and the Council by 31 December 2002 at the latest and a final report by 1 June 2005 at the latest.

## *CHAPTER V*

### THE COMMITTEE

#### *Article 19*

#### **The Committee**

1. The Commission shall be assisted by a committee composed of representatives of the Member States and chaired by the representative of the Commission.
2. Wherever reference is made to this paragraph, the advisory procedure set out in Article 3 of Decision 1999/468/EC shall apply, in compliance with Article 7(3) of that Decision.
3. The Committee may consider any question relating to this Decision, raised by the chairman or by a representative of a Member State.

## *CHAPTER VI*

### SPECIAL PROVISIONS CONCERNING EMERGENCY MEASURES

#### *Article 20*

#### **Special provisions concerning emergency measures**

1. Without prejudice to Articles 6 to 19, the provisions of paragraphs 2 to 5 of this Article shall apply to the implementation of the emergency measures provided for in Article 5.
2. Financial assistance from the Fund shall be limited to a period of six months and shall not exceed 80% of the cost of each measure.
3. The Member State or Member States affected by a mass influx as referred to in Article 5(1) shall provide the Commission with a statement of requirements and a plan for the implementation of the emergency measures, including a description of the planned measures and the bodies responsible for their implementation.
4. The Commission shall examine and select the projects submitted by the Member State or Member States, taking account of the criteria laid down in Article 8.

5. Where appropriate, available resources shall be distributed between the Member States as follows:
  - (a) 80% shall be distributed on the basis of the number of persons having entered each Member State as part of the mass influx referred to in Article 5(1); and
  - (b) 20% shall be distributed on the basis of the quality of the projects put forward.

## CHAPTER VII

### TRANSITIONAL PROVISIONS

#### *Article 21*

#### **Transitional provisions**

For implementation of this Decision in the first year, the Commission shall inform the Member States of the estimated amounts allocated to them within two weeks of the date on which this Decision takes effect. If the Statistical Office of the European Communities does not yet have the statistics required by Article 9, the figures used shall be those supplied by the Member States; in that case the Commission shall adopt, in accordance with the procedure referred to in Article 19(2), the rules for interpreting the statistics supplied by the Member States.

By way of derogation from Article 12, for the year 2000, expenditure actually paid between 1 January 2000 and approval of the request for co-financing may be eligible for support from the Fund.

## CHAPTER VIII

### FINAL PROVISIONS

#### *Article 22*

#### **Implementation**

1. The Commission shall be in charge of the implementation of this Decision.
2. Where necessary, the Commission shall adopt any other provisions required for the implementation of this Decision in accordance with the procedure referred to in Article 19(2).

#### *Article 23*

#### **Review clause**

The Council shall review this Decision on the basis of a proposal from the Commission by 31 December 2004 at the latest.

*Article 24*

**Addressees**

This Decision is addressed to the Member States.

Done at Brussels,

*For the Council  
The President*

## **FINANCIAL STATEMENT**

### **1. TITLE OF OPERATION**

Council Decision creating a European Refugee Fund.

### **2. BUDGET HEADING(S) INVOLVED**

B5-803 (nomenclature PDB 2000) or B5-801N and B5-811N (EP nomenclature).

### **3. LEGAL BASIS**

Article 63 of the Treaty establishing the European Communities.

### **4. DESCRIPTION OF OPERATION**

#### **4.1 General objective**

The objective of the Decision is to provide the European Union with an instrument for providing support under a multiannual programme for action by the Member States in the following fields:

- (a) reception conditions for refugees and displaced persons, and fair, accessible and efficient asylum procedures;
- (b) integration of refugees and displaced persons;
- (c) voluntary repatriation and resettlement in the country of origin,

in order to help achieve a balance in the efforts made by Member States in receiving and in bearing the consequences this entails.

More specifically, the aim is to:

- ensure proper reception conditions for persons applying for the status of refugee or for temporary protection, for example as regards accommodation, legal advice and other forms of assistance, and to make asylum procedures fairer, more accessible and more efficient in order to promote the effective exercise of the right to apply for asylum under the Geneva Convention of 28 July 1951 relating to the Status of Refugees, as amended by the New York Protocol of 31 January 1967;
- contribute to the integration of refugees and displaced persons in the society of the Member State of residence, for example by measures to facilitate access to employment, taking into account the specific factors distinguishing these categories of foreigners from other categories of migrants and the particular difficulties they might encounter;

- create the conditions for refugees and displaced persons and also for persons requesting one of these forms of international protection, including those from whom one of these classifications has been withdrawn, to return to their country of origin, by providing both the information they need to take a well-informed decision and material assistance, for example in the form of preparation for resettlement in their country of origin;
- promote exchanges between the Member States to contribute to the exchange of best practice;
- enable emergency measures to be taken in the event of a sudden mass influx of refugees or displaced persons into the territory of one or more Member States, to provide for the immediate needs of the people concerned.

#### **4.2 Period covered and arrangements for renewal**

From 1 January 2000 to 31 December 2004; the Council will review the Decision by 31 December 2004, acting on a proposal from the Commission.

### **5. CLASSIFICATION OF EXPENDITURE OR REVENUE**

#### **5.1 Compulsory/Non-compulsory expenditure**

Non-compulsory expenditure.

#### **5.2 Differentiated/Non-differentiated appropriations**

Differentiated.

#### **5.3 Type of revenue involved**

Not applicable.

### **6. TYPE OF EXPENDITURE OR REVENUE**

Grant for co-financing with other sources in the public and/or private sector. However, the funding of operations administered directly by the Commission, on the basis of that part of the Fund's annual allocation for this purpose, may be up to 100%.

### **7. FINANCIAL IMPACT**

#### **7.1 Method of calculating total cost of operation (relation between individual and total costs)**

The cost of the actions provided for in the Decision will be calculated on the basis of the implementation of the pilot programmes administered by the Commission since 1997 to provide practical support for the reception and voluntary repatriation of refugees, displaced persons and asylum-seekers (budget headings B3-4113, B5-803 and B7-6008) and the integration of refugees (budget heading B3-4113).

The total allocation for the three budget headings referred to above was as follows:

1997: EUR 23.75 million

1998: EUR 26.75 million

1999 first phase: EUR 20 million

1999 second phase: budgetary authority currently deciding on a sum expected to be EUR 15 million.

The average annual allocation may therefore be estimated at around EUR 28.5 million (assuming an additional allocation of EUR 15 million for the second phase of 1999). This amount fell far short of what was needed on the ground.

As regards aid measures for reception and voluntary repatriation in particular, the financial assistance requested in 1997 exceeded the allocation available by 30%. This rose to 45% in 1998 and 850% in 1999 (as a result of the Kosovo crisis). The Commission estimates that more than half of the requests which could not be satisfied qualified for Community joint financing.

Experience in 1999 has also shown that the aim of financing "structural" measures in the area covered by Article 63 of the EC Treaty can be completely undermined by the sort of mass influx of refugees that occurs in the event of a crisis. In the absence of a specific budget heading to cater for emergencies, the entire financial allocation originally earmarked for heading B5-803 was spent on emergency measures for people who had fled from Kosovo. It is thus essential to have a reserve so that both emergency needs and structural requirements can be accommodated, as advocated by the European Council in Tampere on 15 and 16 October 1999.

In the light of the foregoing, and taking into account the current state of the procedure for approving the 2000 budget, the annual allocation for the European Refugee Fund has been calculated as follows:

- (a) budget heading B5-810 (Structural measures): EUR 26 million for 2000;
- (b) reserve (B5-811 in the nomenclature proposed by the European Parliament) (Emergency measures to cope with mass influx of refugees): EUR 10 million for 2000.

The overall budget for the action and the breakdown of the appropriations over the period 2001-04 will be determined after the Commission's budgetary orientation debate for 2001.

## **7.2 Itemised breakdown of cost**

The following breakdown might be envisaged, based on the preparatory actions carried out in 1997-99 and taking into account the need to retain sufficient funds for promoting the dissemination of best practice at Community level. In any case, given the instability of these situations and the differences in the scale of the projects that might be subsidised, the following table is a provisional estimate of the breakdown of expenditure mirroring the distribution made in 1997-1999.

**B5 – 810**

Breakdown	Estimated % of budget
Reception	36
Integration	36
Voluntary repatriation	18
Dissemination of best practice	10
<b>TOTAL</b>	<b>100</b>

Commitment appropriations EUR million (at current prices)						
Breakdown	Year n	N+1	N+2	N+3	n+4	Total
Reception	9.36	p.m.	p.m.	p.m.	p.m.	p.m.
Integration	9.36	p.m.	p.m.	p.m.	p.m.	p.m.
Voluntary repatriation	4.68	p.m.	p.m.	p.m.	p.m.	p.m.
Dissemination of best practice	2.6	p.m.	p.m.	p.m.	p.m.	p.m.
<b>Total</b>	<b>26</b>	p.m.	p.m.	p.m.	p.m.	p.m.

**Reserve (or B5 – 811 in nomenclature proposed by the EP)**

It is not possible at this stage to give a breakdown of the cost of actions by type of measure. The typology of actions is limited to emergency measures only, all of which are usually part of a comprehensive project. In addition, the measures of this type funded in 1999 are still ongoing and a classification can be made only after their completion.

Commitment appropriations EUR million (at current prices)

Breakdown	Year n	n+1	n+2	n+3	n+4	n+5 and subs. years	Total
Total emergency measures	10	p.m.	p.m.	p.m.	p.m.		p.m.

### 7.3 Operational expenditure for studies, experts etc. included in Part B of the budget

A maximum of EUR 800 000 per year will be used for technical and administrative assistance. The purpose will be to ensure effective and practical implementation of the action. This assistance will be provided to the Commission and to the beneficiaries of the operation and will not involve ordinary public service tasks but the preparation, management, monitoring and evaluation of the programme. Such assistance will be restricted to the duration of the programme.

### 7.4 Schedule of commitment and payment appropriations

#### **B5 – 810**

Commitment appropriations EUR million

	Year n	n+1	n+2	n+3	n+4	n+5 and subs. years	Total
Commitment appropriations	26	p.m.	p.m.	p.m.	p.m.	0	p.m.
Payment appropriations	13	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.

#### **Reserve (B5 – 811 in the nomenclature proposed by the EP)**

Commitment appropriations EUR million

	Year n	n+1	n+2	n+3	n+4	n+5 and subs. years	Total
Commitment appropriations	10	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.
Payment appropriations	10	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.

## 8. FRAUD PREVENTION MEASURES

– Specific control measures envisaged

The Member States are responsible for selecting actions and for their financial management and administration; they have prime responsibility for the financial control of actions. To this end they must comply with the eligibility criteria laid down in this Decision. The Decision also specifies that they must check the existence and operation of appropriate management and control systems, a description of which will be sent to the Commission, must ensure that management complies with the relevant Community rules and the principles of sound financial management, must certify the expenditure declarations and ensure that the accounting system relies on verifiable documentary evidence, must prevent, detect and correct irregularities, must initiate the necessary legal proceedings and inform the Commission accordingly, must cooperate with the Commission and recover amounts lost as a

result of irregularities. In addition, the Commission must satisfy itself as to the existence and proper functioning of the management and control systems in the Member States and may carry out on-site inspections or ask the Member State concerned to carry out inspections in which Commission officials or other staff may take part.

Provision is also made for financial corrections in the event of individual or systemic shortcomings.

## **9. ELEMENTS OF COST-EFFECTIVENESS ANALYSIS**

### **9.1 Specific and quantified objectives; target population**

- Specific objectives: links with general objective
  - Creation or improvement of infrastructure or services,
  - Provision of material assistance to beneficiaries.
- Target population
  - Refugees, displaced persons as described in Article 2, and people who previously belonged to one of these categories.

### **9.2 Grounds for the operation**

- Need for Community financial aid, with particular regard for the principle of subsidiarity

The establishment of the European Refugee Fund is intended to support and encourage the efforts made by Member States to receive refugees and displaced persons and to bear the consequences this entails and, in the first place, to complement national policies for assisting those seeking international protection; secondly, to promote the development of programmes for the integration of refugees and other categories of people enjoying such protection; and finally to encourage the voluntary return of those applying for the status of refugee, particularly when their application has been rejected, but also, in the case of displaced persons, refugees and people requiring international protection, when the need for such protection has ceased. In each of these areas it is necessary to promote the idea of joint responsibility and burden-sharing between Member States in the general effort to assist these people, given that situations can vary considerably.

The need to balance the efforts of the Member States calls for a financial commitment aimed both at easing the burden on the Member States most severely affected and at developing the capacity of those Member States whose infrastructure is inadequate. This implies a redistribution at European Union level that cannot be achieved by the Member States individually.

– Choice of ways and means

- \* advantages over possible alternatives (comparative advantages)

The only alternative to the arrangements proposed is for the Commission to administer individual measures and projects directly. Experience of the joint actions and pilot projects that preceded this Decision suggests that this imposes a disproportionate administrative burden without maximising efficiency.

Devolving administration to the Member States allows the Commission to concentrate on general objectives and overall consistency and ensures that the choice and implementation of individual actions occurs at grassroots level, taking account of the specific situation in the Member State and the needs to be met. It will also obviate the need to enlist the services of a technical assistance bureau in future to select and monitor the actions.

- \* explanatory reference to similar Community or national operations
- \* spin-off and multiplier effects expected

The contribution of the European Refugee Fund is confined to 50% of the total cost of the measures (75% in Member States benefiting from the Cohesion Fund), with the result that there should be an increase in overall spending to achieve the Fund's objectives. Experience has also shown that national public funding often takes over from Community joint financing in the case of actions which have proved their worth.

The success of eligible projects has a number of spin-off benefits for both the Member States and the beneficiaries, such as:

- a reduction in the number of hardship cases requiring emergency welfare assistance and in social exclusion and its consequences for the welfare budgets of the Member States in the case of refugees, displaced persons and people requiring international protection,
- a reduction in the number of non-nationals without a legal right of residence who disappear underground because there is no prospect of legalising their situation or returning to their country of origin, in the case of people eligible for voluntary repatriation measures, such as those applying for the status of refugee whose application has been definitively refused.

- Main factors of uncertainty which could affect the specific results of the operation
  - Variation in flows of refugees.

### 9.3 Monitoring and evaluation of the operation

– Performance indicators selected

\* output indicators (measurement of resources employed)

- Reception and integration: accommodation available (number of beds, standard of premises), creation of new services or increase in capacity of existing services, level of occupancy, number of beneficiaries.
- Voluntary repatriation: creation of new services or increase in capacity of existing services, number of people using services (information, training), number of returnees.

\* impact indicators (measurement of performance against objectives)

- Reception: reduction in number of secondary movements by refugees (movement from one Member State to another in search of better conditions).
- Integration: reduction in rate of social exclusion among the categories concerned.
- Voluntary repatriation: increase in the number of returnees, interest of countries of origin in "co-development" policies.

– Details and frequency of planned evaluations

Bodies responsible for carrying out the measures will report at least annually to the relevant authority in the Member State.

Annual report by Member States to the Commission.

Independent evaluation of each action in each Member State.

– Assessment of the results obtained (where the operation is to be continued or renewed)

An interim report on the implementation in 1997 of budget headings B7-6008 and B5-803 was presented to the European Parliament and the Council on 16 July 1998 (Commission staff working paper SEC(1998) 1263).

A second evaluation of results achieved by projects funded in 1997 under the same budget headings was presented to the European Parliament on 13 July 1999 (Commission staff working paper SEC(1999) 1105).

The conclusions of this evaluation may be summarised as follows:

- (a) Community joint financing acted as a catalyst, promoting concerted action at national level, particularly in Member States that until recently had had little experience of accommodating refugees and where the general reception structures urgently need to be improved.

- (b) Better coordination in implementing measures is needed at two levels: first between national governments and the Commission, to harmonise existing European and national programmes, and secondly between national administrations and NGOs to ensure that their projects form part of a concerted strategy approved by all parties.
- (c) Community funding should focus more particularly on creating infrastructures providing counselling for returnees, on specific training projects, on improving reception conditions and on making asylum procedures more accessible. On-the-spot monitoring of people voluntarily repatriated would be particularly valuable.
- (d) Demand for funding far exceeds the available budget, and a new evaluation of the impact of funding relative to the scale of the problems to be solved must be carried out.

The evaluation of projects funded in 1997 under budget heading B3-4113 has been entrusted to outside consultants. The report is currently being finalised and should be presented to the European Parliament and the Council before the end of 1999.

The projects funded in 1998 and 1999 are currently being implemented. The Commission will evaluate the results when it has received the final reports (first quarter of 2000 for projects funded in 1998 and for emergency aid measures funded in 1999). It also intends to commission an independent evaluation (procedure for awarding the contract currently under way).

In any event, one of the lessons that can be learned from the implementation of the pilot projects is that a duration of one year is unsuited to the medium or long term nature of the majority of the projects and that both Member States and the implementing organisations need longer term visibility to ensure coherent planning of their actions.

#### **10. ADMINISTRATIVE EXPENDITURE (SECTION III, PART A OF THE BUDGET)**

Actual mobilisation of the necessary administrative resources will depend on the Commission's annual decision on the allocation of resources, taking into account the number of staff and additional amounts authorised by the budgetary authority.

### 10.1 Effect on the number of posts

Type of post		Staff to be assigned to managing the operation		Source		Duration
				Existing resources in the DG or department concerned	Additional resources	
Officials or temporary staff	A	3	—	2	1	2000-04
	B	2		1	1	
	C	2		1	1	
Other resources		—	—	—	—	—
Total		7		4	3	2000-04

Additional resources should be available from the year 2000.

### 10.2 Overall financial impact of additional human resources

EUR

	Amounts	Method of calculation
Officials	EUR 3 780 000	7 man/years x EUR 108 000 per man/year = EUR 3 780 000. Titles A1, A2, A4, A5 and A7.
Temporary staff	—	—
Other resources (indicate budget heading)	—	—
Total	EUR 3 780 000	

The amounts are the total cost of additional posts for the entire duration of the operation, if this duration is predetermined, or for 12 months if it is indefinite.

### 10.3 Increase in other administrative expenditure as a result of the operation

EUR

Budget heading	Amounts	Method of calculation
Meetings - A7031		3 meetings of advisory committee per year =
Committees (compulsory)	EUR 146 250	3 meetings x 15 representatives x EUR 650 per representative x 5 years = EUR 146 250
Total	EUR 146 250	—

Expenditure for Title A-7 shown at 10.3 will be covered by the DG's share of the overall allocation.